GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:1710
ANSWERED ON:25.07.2002
POWER TARIFF
SUBODH MOHITE

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways has requested the State Governments to reduce power tariff and contribute to the expansion and electrification network in the country;

(b) if so, the details thereof;

(c) the reaction of the State Governments thereon; and

(d) the response received by Railways on multilateral funding of rest of the projects?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a): Yes, Sir. If the State Governments reduce electricity tariff, the rate of return of Railway Electrification projects will increase. Railways will be able to electrify more Route Kilometres as more and more Railway Electrification projects will qualify the threshold limit of 14% rate of returns for consideration.

(b) & (c): Details of the action taken by this Ministry for reduction in power tariffs for electric traction are as under:

(i) State Governments & Power supply authorities are being constantly persuaded to reduce tariff to make it reasonable.

(ii) State Electricity Regulatory Commissions (SERCs) have been set up in 13 statesIn 11 States, the zonal Railways have approached SERCs. During 2001-2002, after successful presentations, reduction of 1 to 4% in tariff has been achieved in UP, Delhi, Maharastra & Haryana. In Andhra Pradesh, there has been no increase in tariff. It has also been possible to limit the increase in two states i.e. Rajasthan & Madhya Pradesh.

(d) Details regarding multi-lateral funding of rest of the projects is as under: Ministry of Railways has proposed 19 projects for funding by ADB through Ministry of Finance.The projects are at present under evaluation by ADB. In addition, the World Bank will also be approached for funding of Railway projects.